



**X**

FEBRUARY 5, 1998

STATE LEASE NO. MI 220571 MI 220571 PUBLIC LEASE NO.

INDIAN

MARCH 19, 1998

SPUDDER IN:

PUT TO PRODUCING:

INITIAL PRODUCTION:

GRAVITY A.P.I.

GOR:

PRODUCING ZONES:

TOTAL DEPTH:

WELL ELEVATION:

6-5-2000 LA'D

## NATURAL BUTTES

UNIT:

## UINTAH

GLEN BENCH STATE 11-36-8-21

API NO. 43-047-33062

1980 FSL	FT. FROM (N) (S) LINE.	1980 FWL
1	10	1
2	10	2
3	10	3
4	10	4
5	10	5
6	10	6
7	10	7
8	10	8
9	10	9
10	10	10
11	10	11
12	10	12
13	10	13
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15	10	15
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89	10	89
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92	10	92
93	10	93
94	10	94
95	10	95
96	10	96
97	10	97
98	10	98
99	10	99
100	10	100

FT. FROM (E) (W) LINE. NE SW 1/4 - 1/4 SEC. 36

TWP.

RGE.

SEC.

OPERATOR

TWP.

RGE.

SEC.

OPERATOR

85

21E

36

CHANDLER & ASSOCIATES

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

b. TYPE OF WELL

OIL  
WELL ☒

GAS  
WELL ☒

OTHER

SINGLE  
ZONE ☐

MULTIPLE  
ZONE ☐

2. NAME OF OPERATOR

Chandler & Associates, Inc.

3. ADDRESS AND TELEPHONE NO.

303-295-0400

475 Seventeenth Street, Suite 1000, Denver, CO. 80202

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)\*

At surface

At proposed prod. zone

1980' FSL 1980' FWL

604

604

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*

See Topo Map "A"

15. DISTANCE FROM PROPOSED\*

LOCATION TO NEAREST  
PROPERTY OR LEASE LINE, FT.  
(Also to nearest drig. unit line, if any)

660'

16. NO. OF ACRES IN LEASE

400

18. DISTANCE FROM PROPOSED LOCATION\*  
TO NEAREST WELL, DRILLING, COMPLETED,  
OR APPLIED FOR, ON THIS LEASE, FT.

1320

19. PROPOSED DEPTH

7150

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

40

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

4759 GR

22. APPROX. DATE WORK WILL START\*

A.S.A.P.

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4'	9 5/8'	36#	400'	(See attached drilling plan)
7 7/8'	5 1/2'	15.5#	7150'	(See attached drilling plan)

1. M.I.R.U.
2. Drill to T.D.
3. Run 5 1/2" casing if commercial production is indicated.
4. If dry hole, well will be plugged and abandoned as instructed by the state.
5. Well will be drilled with Air/Air Mist to T.D.

I hereby certify that I am responsible by the terms and conditions of the Lease to conduct Lease Operations. Bond Coverage pursuant to 43 CFR 3104 for Lease Activities is being provided by Chandler & Associates, Inc. in the form of a Nationwide Bond #19S19040790.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

*Tracy D. Henline*

TITLE Agent for Chandler

DATE 2-4-98

(This space for Federal or State office use)

PERMIT NO.

43-047-33062

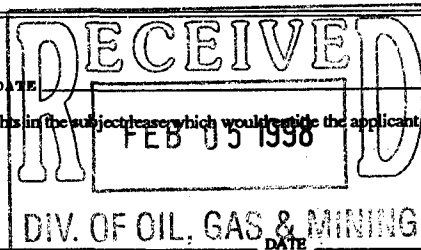
APPROVAL DATE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY

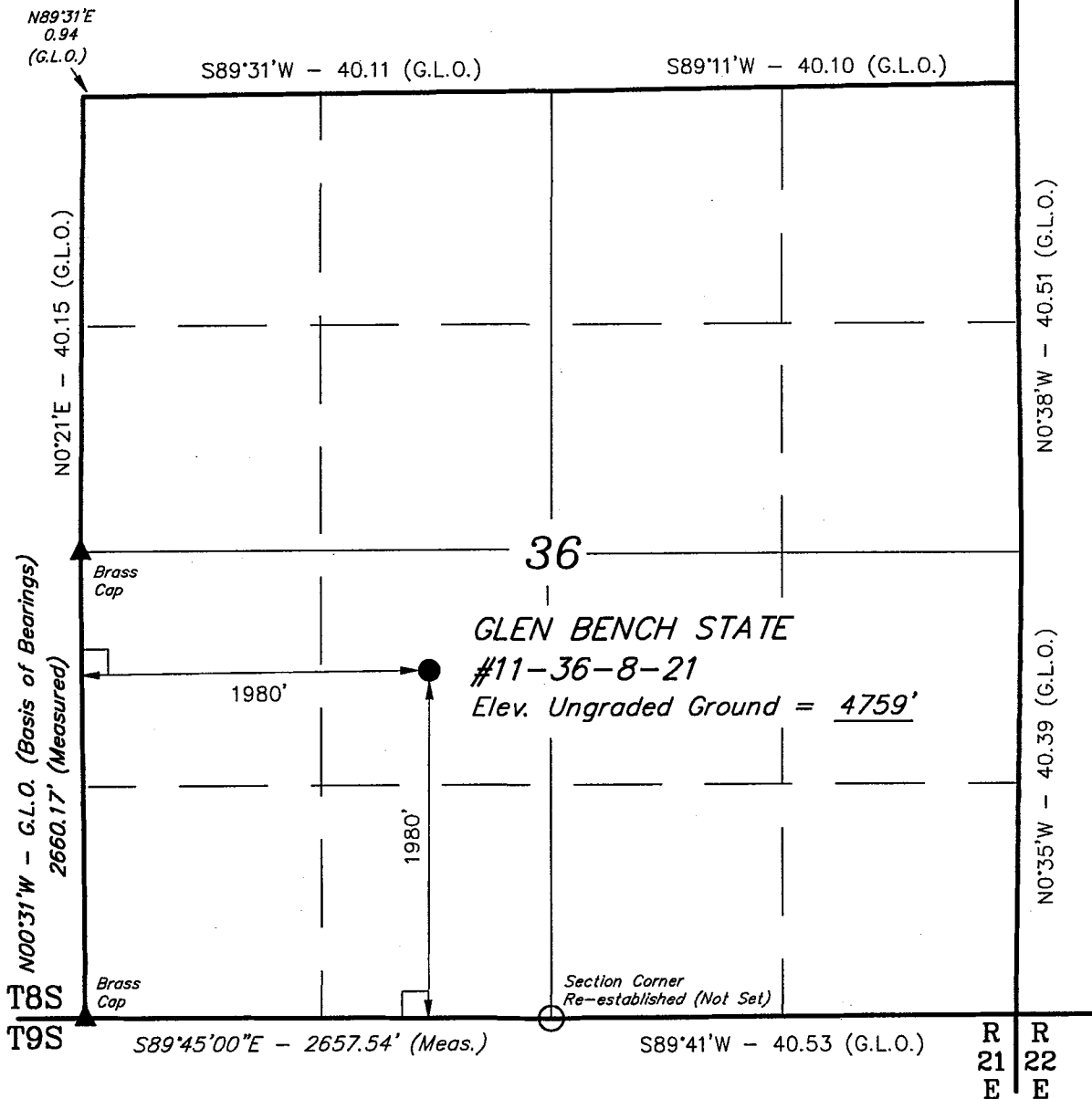
TITLE



\*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*T8S, R21E, S.L.B.&M.*

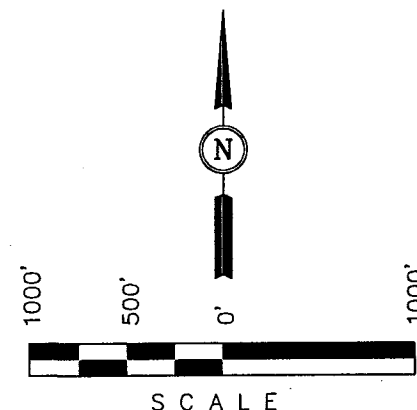


**CHANDLER & ASSOCIATES, INC.**

Well location, GLEN BENCH STATE #11-36-8-21, located as shown in the NE 1/4 SW 1/4 of Section 36, T8S, R21E, S.L.B.&M. Uintah County, Utah.

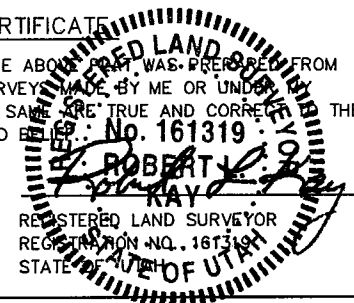
**BASIS OF ELEVATION**

BENCH MARK 20 EAM 1964 LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.



**CERTIFICATE**

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEY MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.



**LEGEND:**

- └─ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.
- = SECTION CORNERS RE-ESTABLISHED. (Not Set on Ground)

**UINTAH ENGINEERING & LAND SURVEYING**  
**85 SOUTH 200 EAST - VERNAL, UTAH 84078**  
**(435) 789-1017**

SCALE 1" = 1000'	DATE SURVEYED: 12-15-97	DATE DRAWN: 1-22-98
PARTY B.B. D.R. C.B.T.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE CHANDLER & ASSOCIATES, INC.	

Chandler & Associates, Inc.  
Glen Bench State #11-36-8-21

5. Auxiliary Equipment:

- A. Kelly Cock - yes.
- B. Float at the bit - no.
- C. Monitoring equipment on the mud system - visually.
- D. Full opening safety valve on rig floor - yes.
- E. Rotating head - yes.
- F. The blooie line shall be a least 6" in diameter and extend at least 100' from the wellbore into the reserve/blooie pit.
- G. Blooie line ignition shall be provided by a continuous pilot (ignited when drilling below 500').
- H. Compressor shall be tied directly to the blooie line through a manifold.
- I. A mistor with a continuous stream of water shall be installed near the end of the blooie lines for dust suppression.

6. Proposed Circulating Medium:

	Density			
<u>Depth</u>	<u>Mud Type</u>	<u>(lb./gal)</u>	<u>Viscosity</u>	<u>Water Loss</u>
0'- T.D.	AIR/AIR MIST			

7. Testing, Logging, and Coring Program:

- A. Cores - None anticipated.
- B. DST - none anticipated.
- C. Logging - DIL-GR (TD to base of surface casing).  
FDC/CNL/GR/Cal (TD to base of surface casing).

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- D. Formation and Completion Interval: Wasatch/Mesaverde interval, final determination of completion will be made by analysis of logs.  
Stimulation - Stimulation will be designed for the particular area of interest as encountered.
- E. Frac gradient - approximately .80 psi/ft.

8. Cementing Program:

<u>Casing</u>	<u>Volume</u>	<u>Type &amp; Additives</u>
Surface	215 sx	Class "G" w/2% CaCl <sub>2</sub> (based on 100% access)
Production	1150 sx*	450 sx "Lite" followed by 700 sx 50/50 poz. mix.

Cement Characteristics:

Class "G" - yield = 1.18 cu.ft. per. sack  
weight = 15.8 lb./gal  
strength = 3200 psi in 72 hrs @135 degrees

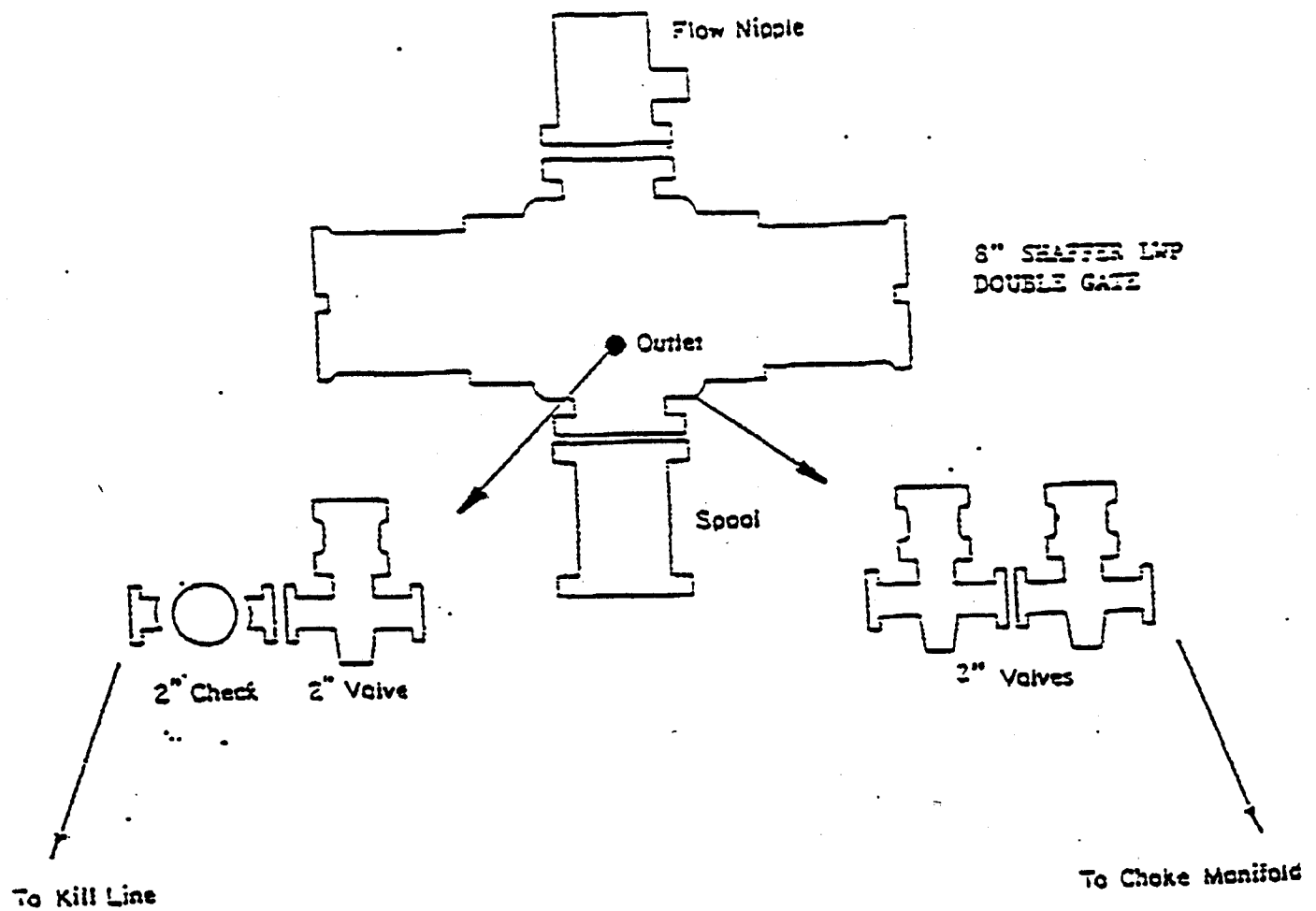
\* Final cement volumes to be calculated from caliper log with an attempt to be made to circulate cement to the surface. A bond log will be run across the zone of interest and across zones as required by the authorized officer to insure protection of natural resources.

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Glen Bench State #11-36-8-21

9. Anticipated Abnormal Pressures and Temperatures, Other Potential Hazards:

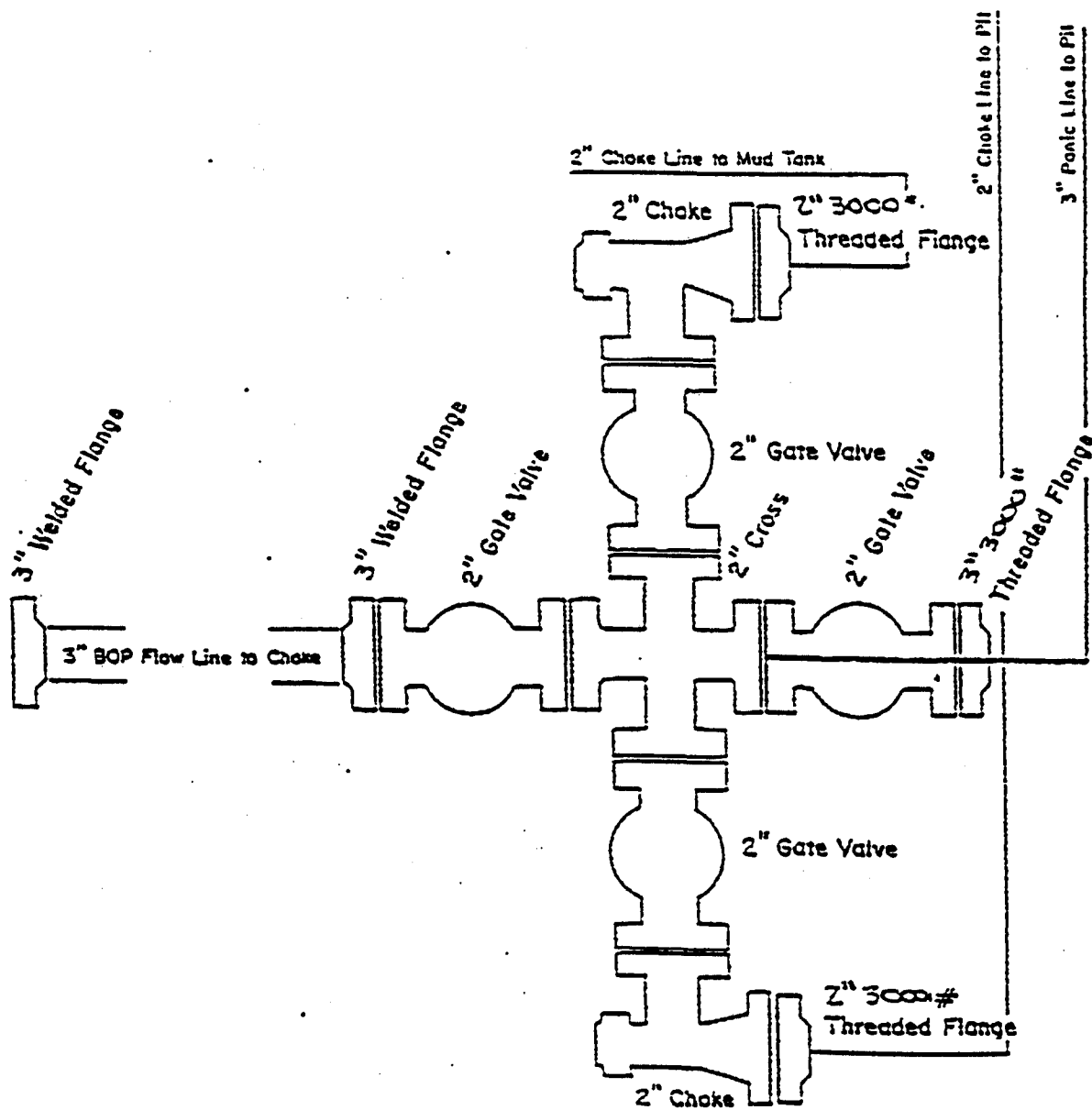
No abnormal temperatures or pressures are anticipated. No H<sub>2</sub>S has been encountered in or known to exist from previous wells drilled to similar depths in the general area. Maximum anticipated bottom hole pressure equals approximately 1,600 psi (calculated at 0.224 psi/ft) and maximum anticipated surface pressure equals approximately 30 psi (bottom hole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/ft).

CHANDLER DRILLING  
RIG NO.7



CHANDLER DRILLING

RIG NO.7



**II. SURFACE USE PLAN**  
**CHANDLER & ASSOCIATES, INC.**  
**GLEN BENCH STATE #11-36-8-21**

1. Existing Road:

- A. Topo Map "A" is the vicinity map, showing the access routes from Vernal, Utah.
- B. Topo Map "B" shows the proposed access road to each individual well. It also shows existing roads in the immediate area.
- C. Occasional maintenance blading and storm repairs will keep roads in good condition.
- D. There shall be no mud blading on the access road. Vehicles may be towed through the mud provided they stay on the roadway.

2. Planned Access Roads:

The proposed access road, will be crowned, ditched, and dipped.

- A. Maximum grade will be 8% or less, unless otherwise stated.
- B. No turnouts will be required.
- C. Road surface material will be that native to the area.
- D. No cattle guard will be required.
- E. The proposed access road was flagged at the time the location was staked.
- F. The area authorized officer will be contacted at least 24 hours prior to commencing construction of the access road and well pad.

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Glen Bench State #11-36-8-21

- G. The back slopes of the proposed access roads will be no steeper than vertical or 1/4:1 in rock; and 2:1, elsewhere.

The operator or his contractor will notify the areas authorized officer at least 48 hours prior to commencement of any work on these locations, roadways, or pipelines.

3. Location of Existing Wells:

See Topo Map "C"

4. Location of Existing and/or Proposed Facilities:

- A. All Petroleum Production Facilities are to be contained within the proposed location sites.
- B. In the event that production of these wells is established, the following will be shown:
1. Proposed location and attendant lines, by flagging, if off well pad.
  2. Dimensions of facilities.
  3. Construction methods and materials.

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- C. The area used to contain the proposed production facilities will be built using native materials. If these materials are not acceptable, then other arrangements will be made to acquire them from private sources. These facilities will be constructed using bulldozers, graders, and workman crews to construct and place the proposed facilities.
- D. All permanent facilities placed on the locations shall be painted a non-reflective color which will blend with the natural environment.
- E. A dike shall be constructed around the tank battery, of sufficient capacity to adequately contain at least 110 percent of the storage capacity of the largest tank within the dike.
- F. All buried pipelines shall be covered to a depth of 3 feet except at road crossings where they shall be covered to a depth of 4 feet.
- G. Construction width of the right-of way/pipeline route shall be restricted to 30 feet of disturbance.
- H. Pipeline location warning signs shall be installed within 90 days upon completion of construction.

5. Location and Type of Water Supply:

Water will be obtained from a water well located near Ouray, Utah which is owned by A-1 Tank Rental (Permit #43-8496) and transported by Dalbo Trucking Co. along the access roads which are shown on the attached maps.

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6. Source of Construction Materials:

- A. No construction materials are needed for drilling operations. In the event of production, the small amount of gravel needed for facilities will be hauled in by truck from a local gravel pit over existing access roads from the area. No special access other than for drilling operations and pipeline construction is needed.
- B. All disturbance for this well site is located on Ute Tribal Lands and a Right-of-way has been applied for on the Tribal portion.

All Construction material for these location sites and access roads shall be borrow material accumulated during the construction of the location sites and access roads. No additional construction material from other sources is anticipated at this time, but if it is required, the appropriate actions will be taken to acquire it from private sources.

- C. All well pad surface disturbance area is on Ute Tribal Lands.

7. Methods for Handling Waste Disposal:

- A. Drill cuttings will be buried in the reserve pit when covered.
- B. Drilling fluids will be contained in the reserve pit.
- C. Any hydrocarbon liquids produced while production testing will be contained in a test tank. Any unavoidable spills of oil or other adverse substances or materials will be removed immediately during drilling progress or during completion operations.
- D. Portable chemical toilets will be provided and serviced by a local commercial sanitary service.

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Glen Bench State #11-36-8-21

- E. Garbage and trash will be collected in a trash cage and its contents hauled to a sanitary landfill.

All wastes caused by the construction activities shall be promptly removed and disposed of in a sanitary landfill or as directed by the authorized officer.

- F. Prior to commencement of drilling, the reserve pit will be fenced on three sides using 39-inch net wire with at least one (1) strand of barbed wire. All wire is to be stretched before attaching to corner posts. When drilling activities are completed it will be fenced on the fourth side and allowed to dry (if liquids are present). After drying, the fences will be removed and the pit shall be buried. Reclamation will be undertaken no later than the fall of the year after all drilling activity has ceased.

8. Ancillary Facilities:

No air strips, camps, or other living facilities will be built off the location. Housing and office trailers will be on the location as seen on the location layout.

9. Well Site Layout:

- A. See attached cutsheet.
- B. The areas authorized officer will be contacted at least 24 hours prior to commencing construction of the access road and well pad.
- C. The authorized officer will determine after the location is constructed whether the pit is to be lined, and if so, the type of material to be used.
- D. Topsoil shall be stripped to a depth of 12 inches and stockpiled as shown on the location layout plat. (Windrow around northeast side of pad to obtain a dike situation).
- E. The back slopes of the locations will be no steeper than vertical or 1/4:1 in rock, and 2:1 elsewhere.

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- F. The upper edges of all cut banks on the access roads and well pads will be rounded.

10. Plans for Restoration:

- A. Immediately upon completion, the location and surrounding area will be cleared of all debris, materials, trash and junk not required for production.
- B. Before any dirt work to restore the location takes place, the reserve pit must be completely dry. The reserve pit will be reclaimed within 90 days from the date of well completion.
- C. The area officer shall be notified at least 48 hours prior to commencing reclamation work.
- D. All disturbed areas will be seeded with the a mixture which is found suitable by the Ute Indian Tribe
- E. The seed bed will be prepared by disking, following the natural contour. Drill seed on contour at a depth no greater than ½ inch. In areas that cannot be drilled, the seed will be broadcast at double the seeding rate and harrowed into soil. Certified seed is recommended.
- F. Fall seeding will be completed after September, and prior to prolonged ground frost.

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- G. If the well is a producer, access roads will be upgraded and maintained as necessary to prevent soil erosion, and accommodate year round traffic. Areas unnecessary to operations will be reshaped, topsoil distributed, and seed distributed according to the above mixtures. Perennial vegetation must be established. Additional work shall be required in case of seeding failures, etc.
- H. If the well is abandoned or is a dry hole, the access road and location will be restored to approximate the original contours. During reclamation of the site the fill material will be pushed into cuts and up over the backslope. No depressions will be left that would trap water or form ponds. Topsoil will be distributed evenly over the location and seeded according to the above mixture. The access road and the location shall be ripped or disked prior to seeding. Perennial vegetation must be established. Additional work shall be required in case of seeding failures, etc.
- I. Annual or noxious weeds shall be controlled on all disturbed areas. Method of control shall be by an approved mechanical method or an Environmental Protection Agency (EPA) registered herbicide. All herbicide application proposals must be approved. Application of herbicides must be under direct field supervision of an EPA certified pesticide applicator.

11. Other Information:

- A. The area is used by man for the primary purpose of grazing domestic livestock.

All activity shall cease when soils or road surfaces become saturated to a depth of three inches, unless otherwise approved by the Authorized Officer.

If any fossils are discovered during construction, the operator shall cease construction immediately and notify the Authorized Officer so as to determine the significance of the discovery.

Chandler & Associates, Inc.  
Glen Bench State #11-36-8-21

- B. A Class III cultural resource inventory has been completed prior to disturbance by a qualified professional Archaeologist.
- C. The State considers the development of groundwater resources to be necessary and frequently indispensable to effective land management. Therefore, any groundwater intercepted by the party conducting mineral exploration shall be reported to the authorized officer immediately including approximate quantities and a sample in a sealed quart container. The State shall have the first opportunity to file State water rights for the intercepted groundwater. The undersigned may file for water rights only with a written waiver from the State.
- D. The operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials and contact the authorized officer (AO). Within five working days the AO will inform the operator as to:

whether the materials appear eligible for the National Register of Historic Places;  
the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and a time frame for the AO to complete an expedited review under 36 CFR 800-11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

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Glen Bench State #11-36-8-21

If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that the required mitigation has been completed, an operator will then be allowed to resume construction.

- E. Less than 10,000 pounds of any chemical(s) from EPA's Consolidated list of Chemicals Subject to Reporting Under Title III of the Superfund Amendments and Reauthorization Act (SARA) of 1986, and less than threshold planning quantity (TPQ) of any extremely hazardous substances(s), as defined in 40 CFR, would be used, produced, transported, stored, disposed, or associated with the proposed action.

12. Lessee's or Operator's Representative:

Mr. Terry J. Cox  
Vice President of Operations/Production  
Chandler & Associates, Inc.  
475 Seventeenth Street  
Suite 1000  
Denver, Colorado 80202  
Telephone #(303)295-0400

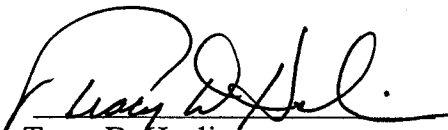
Chandler & Associates, Inc.  
Glen Bench State #11-36-8-21

13. Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite(s) and access route(s); that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by **Chandler & Associates, Inc.**, and its contractors and subcontractors in conformity with the plan and the terms and conditions under which it is approved.

This statement is subject to the provision of 18 U.S.C. 1001 for the filing of a false statement.

2-4-98  
Date

  
Tracy D. Henline  
Agent

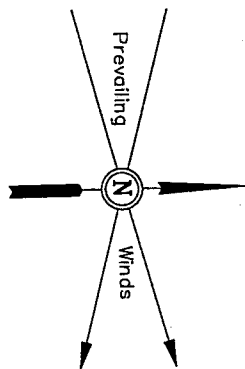
# CHANDLER & ASSOCIATES, INC.

## LOCATION LAYOUT FOR

GLEN BENCH STATE #11-36-8-21

SECTION 36, T8S, R21E, S.L.B.&M.

1980' FSL 1980' FWL



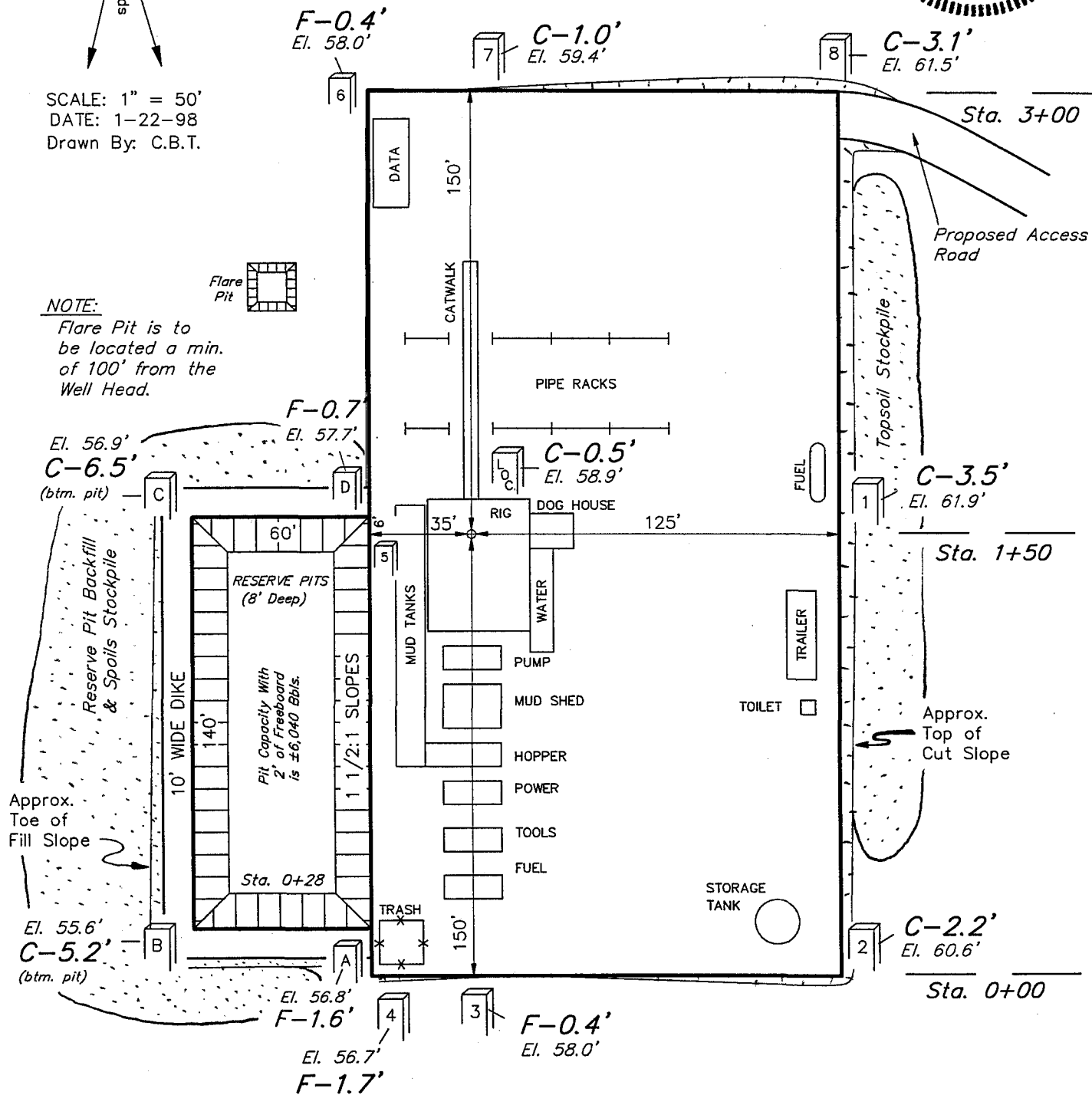
SCALE: 1" = 50'

DATE: 1-22-98

Drawn By: C.B.T.

### NOTE:

Flare Pit is to be located a min. of 100' from the Well Head.



Elev. Ungraded Ground at Location Stake = 4758.9'

Elev. Graded Ground at Location Stake = 4758.4'

UINTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East \* Vernal, Utah 84078 \* (435) 789-1017

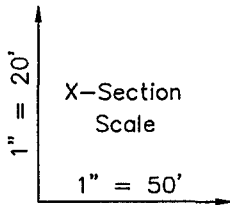
# CHANDLER & ASSOCIATES, INC.

## TYPICAL CROSS SECTIONS FOR

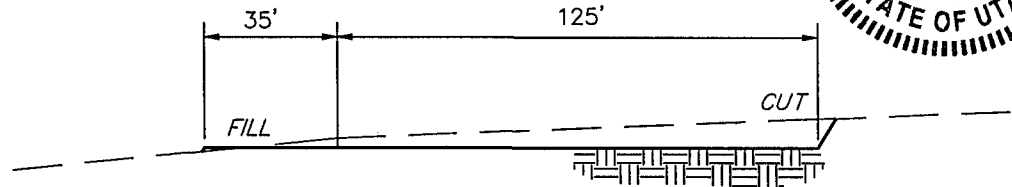
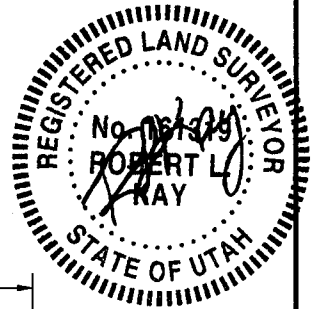
GLEN BENCH STATE #11-36-8-21

SECTION 36, T8S, R21E, S.L.B.&M.

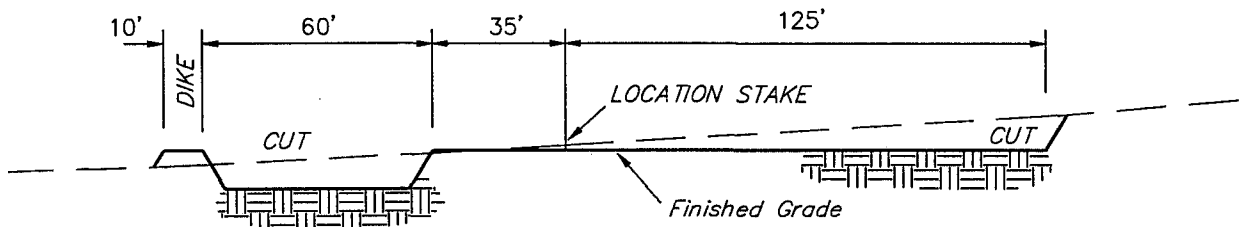
1980' FSL 1980' FWL



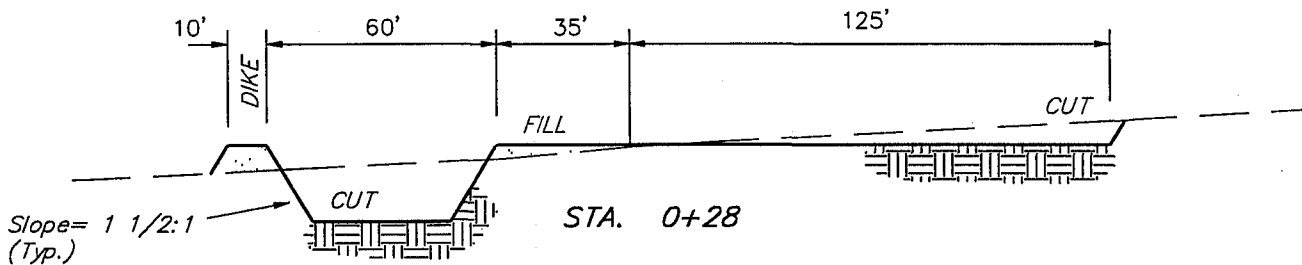
DATE: 1-22-98  
Drawn By: C.B.T.



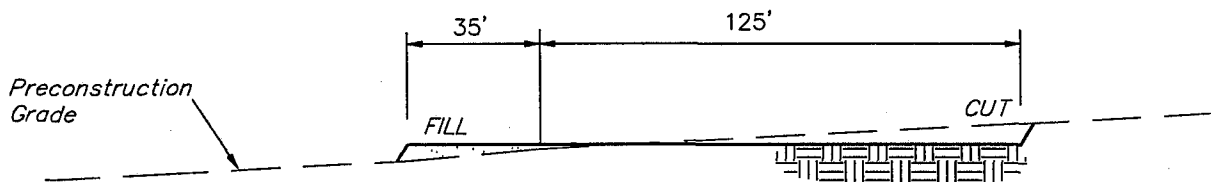
STA. 3+00



STA. 1+50



STA. 0+28



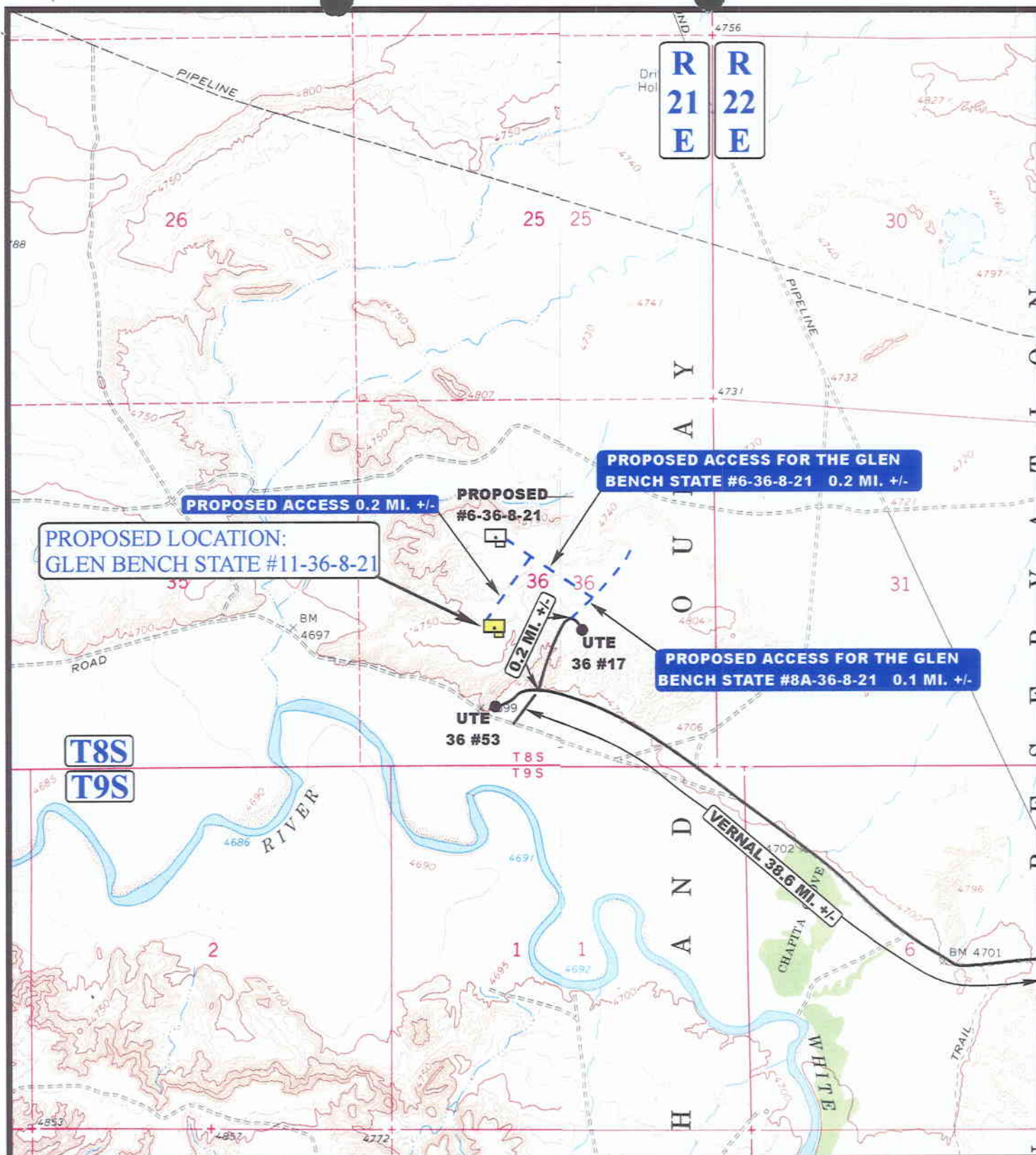
STA. 0+00

### APPROXIMATE YARDAGES

(12") Topsoil Stripping	=	2,080 Cu. Yds.
Remaining Location	=	2,420 Cu. Yds.
<b>TOTAL CUT</b>	=	<b>4,500 CU.YDS.</b>
<b>FILL</b>	=	<b>1,080 CU.YDS.</b>

EXCESS MATERIAL AFTER 5% COMPACTION	=	3,360 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	=	3,000 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	=	360 Cu. Yds.





# LEGEND:

--- PROPOSED ACCESS ROAD  
— EXISTING ROAD



CHANDLER & ASSOCIATES, INC.

GLEN BENCH STATE #11-36-8-21  
SECTION 36, T8S, R21E, S.L.B.&M.  
1980' FSL 1980' FWL



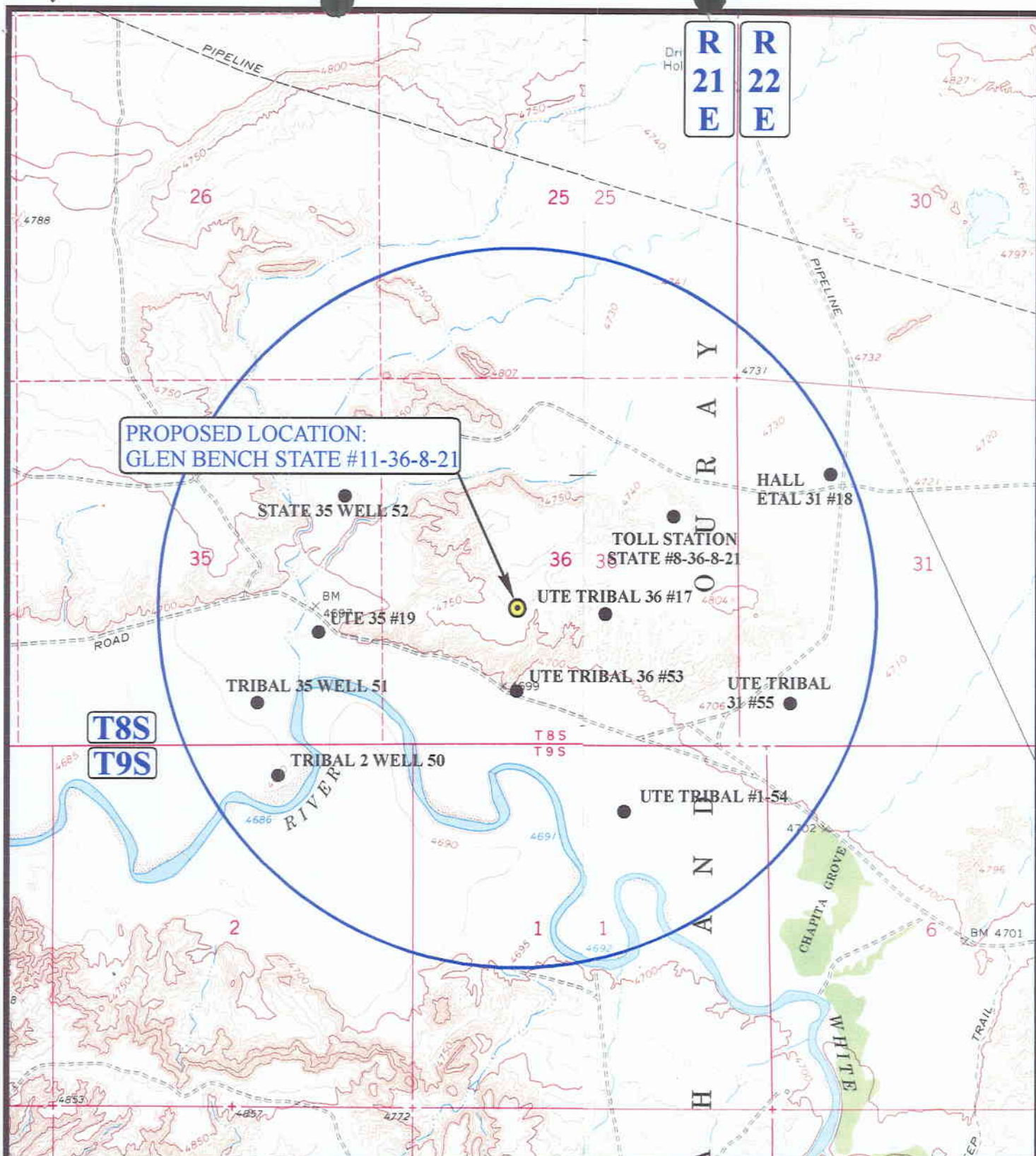
**Uintah Engineering & Land Surveying**  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC**  
**MAP**

**1 2 98**  
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: J.L.G. REVISED: 00-00-00





# LEGEND:

- DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED

## CHANDLER & ASSOCIATES, INC.

GLEN BENCH STATE #11-36-8-21  
SECTION 36, T8S, R21E, S.L.B.&M.  
1980' FSL 1980' FWL



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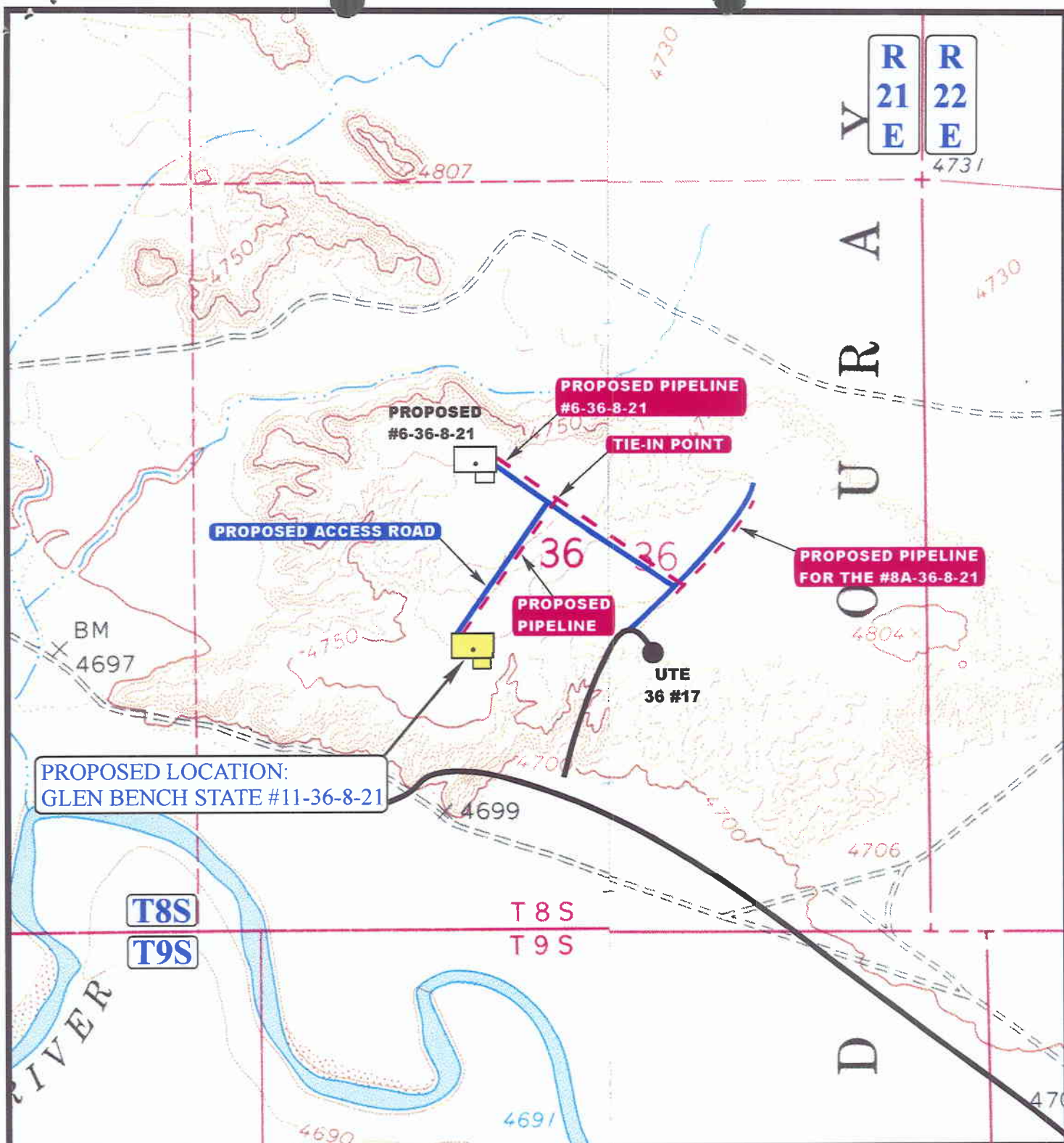


TOPOGRAPHIC  
MAP

1 2 98  
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: J.L.G. REVISED: 00-00-00





**APPROXIMATE TOTAL PIPELINE DISTANCE = 1100' +/-**

**LEGEND:**

- EXISTING PIPELINE
- - - PROPOSED PIPELINE
- PROPOSED ACCESS



**CHANDLER & ASSOCIATES, INC.**

**GLEN BENCH STATE #11-36-8-21  
SECTION 36, T8S, R21E, S.L.B.&M.  
1980' FSL 1980' FWL**



**Uintah Engineering & Land Surveying**  
85 South 200 East Vernal, Utah 84078  
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**TOPOGRAPHIC  
MAP**

**1 2 98**  
MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: J.L.G. REVISED: 00-00-00

**D**  
TOPO

WORKSHEET  
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 02/05/98

API NO. ASSIGNED: 43-047-33062

WELL NAME: GLEN BENCH STATE #11-36-8-21  
OPERATOR: CHANDLER & ASSOCIATES (N3320)

PROPOSED LOCATION:

NESW 36 - T08S - R21E  
SURFACE: 1980-FSL-1980-FWL  
BOTTOM: 1980-FSL-1980-FWL  
UINTAH COUNTY  
NATURAL BUTTES FIELD (630)

LEASE TYPE: STA  
LEASE NUMBER: ML - 22057

PROPOSED PRODUCING FORMATION: GRRV

INSPECT LOCATION BY: 02/28/98

TECH REVIEW	Initials	Date
Engineering	<i>JLB</i>	<i>3/20/98</i>
Geology		
Surface		

RECEIVED AND/OR REVIEWED:

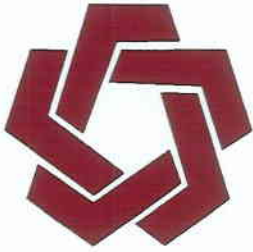
☒ Plat  
☒ Bond: Federal ☐ State ☒ Fee ☐  
(Number 19519040790)  
☒ Potash (Y/N) *tribal*  
☒ Oil shale (Y/N)  
☒ Water permit  
(Number 43-8496)  
☒ RDCC Review (Y/N)  
(Date: \_\_\_\_\_)

LOCATION AND SITING:

\_\_\_\_ R649-2-3. Unit: \_\_\_\_\_  
☒ R649-3-2. General.  
\_\_\_\_ R649-3-3. Exception.  
\_\_\_\_ Drilling Unit.  
\_\_\_\_ Board Cause no: 173-13(A)  
\_\_\_\_ Date: 3/11/97

COMMENTS: Ute tribal surface - no pre site conducted by DOGM.  
Casing OK, Cement OK, BOP OK (see other Glen Bench wells  
#82-36-8-21 and #6-36-8-21).

STIPULATIONS: \_\_\_\_\_



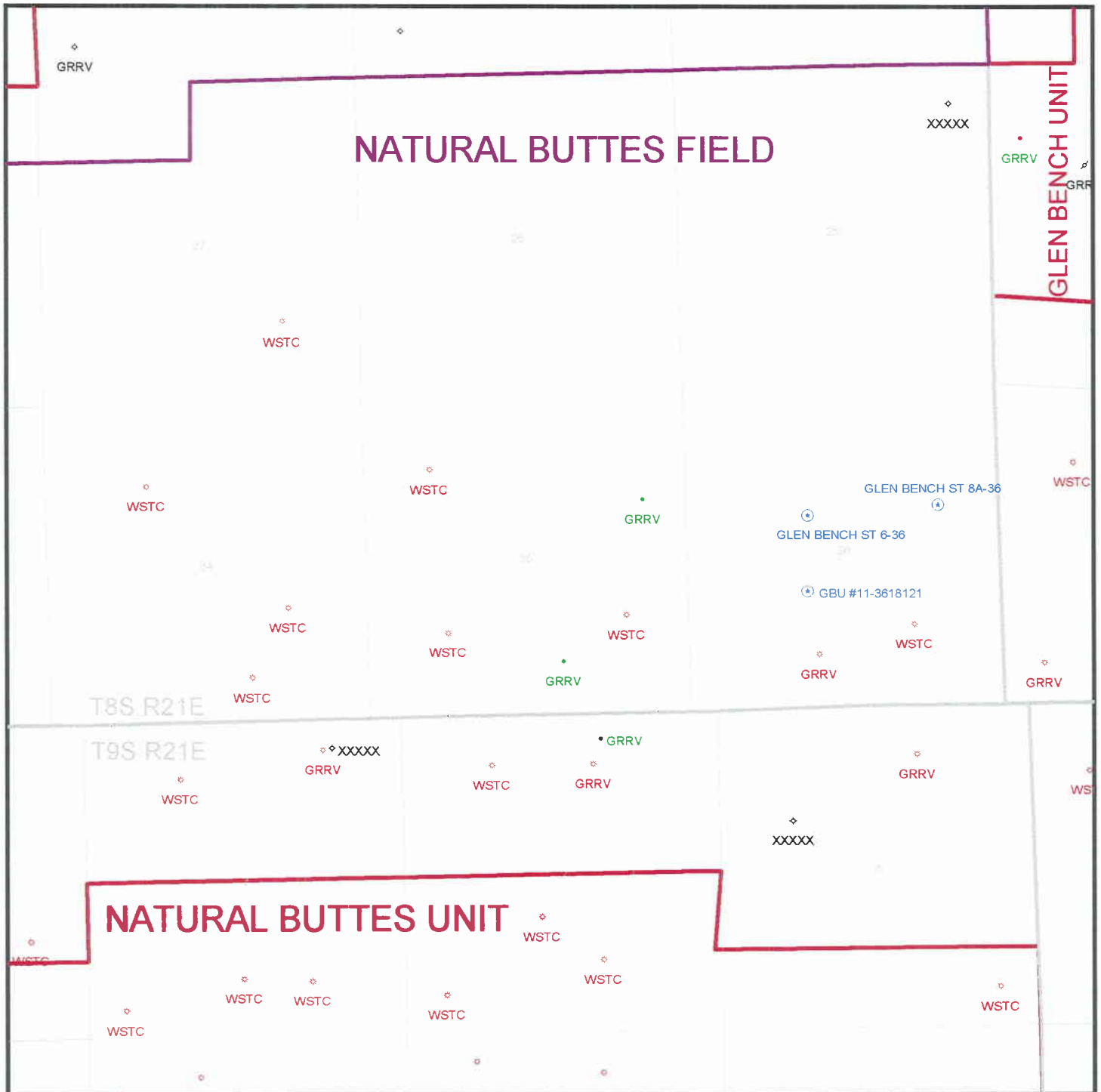
DIVISION OF OIL, GAS & MINING

OPERATOR: CHANDLER & ASSOCIATES (N3320)

FIELD: NATURAL BUTTES (630)

SEC. 36, TWP 8S, RNG 21E

COUNTY: UINTAH UAC: R649-3-2 STATE SPACING



DATE PREPARED:  
10-FEB-1998

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

b. TYPE OF WELL

OIL  
WELL ☒

GAS  
WELL ☒

OTHER

SINGLE  
ZONE ☐

MULTIPLE  
ZONE ☐

2. NAME OF OPERATOR

Chandler & Associates, Inc.

3. ADDRESS AND TELEPHONE NO.

303-295-0400

475 Seventeenth Street, Suite 1000, Denver, CO. 80202

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)\*

At surface

1980' FSL 1980' FWL

At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*

See Topo Map "A"

15. DISTANCE FROM PROPOSED\*

LOCATION TO NEAREST  
PROPERTY OR LEASE LINE, FT.  
(Also to nearest drig. unit line, if any)

660'

16. NO. OF ACRES IN LEASE

400

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

40

18. DISTANCE FROM PROPOSED LOCATION\*

TO NEAREST WELL, DRILLING, COMPLETED,  
OR APPLIED FOR, ON THIS LEASE, FT.

1320

19. PROPOSED DEPTH

7150

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

4759 GR

22. APPROX. DATE WORK WILL START\*

A.S.A.P.

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4'	9 5/8'	36#	400'	(See attached drilling plan)
7 7/8'	5 1/2'	15.5#	7150'	(See attached drilling plan)

1. M.I.R.U.
2. Drill to T.D.
3. Run 5 1/2" casing if commercial production is indicated.
4. If dry hole, well will be plugged and abandoned as instructed by the state.
5. Well will be drilled with Air/Air Mist to T.D.

I hereby certify that I am responsible by the terms and conditions of the Lease to conduct Lease Operations. Bond Coverage pursuant to 43 CFR 3104 for Lease Activities is being provided by Chandler & Associates, Inc. in the form of a Nationwide Bond #19S19040790.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

*Tracy D. Henline*  
Tracy D. Henline

TITLE Agent for Chandler

DATE 2-4-98

(This space for Federal or State office use)

PERMIT NO.

43-047-33062

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY

*[Signature]*

TITLE

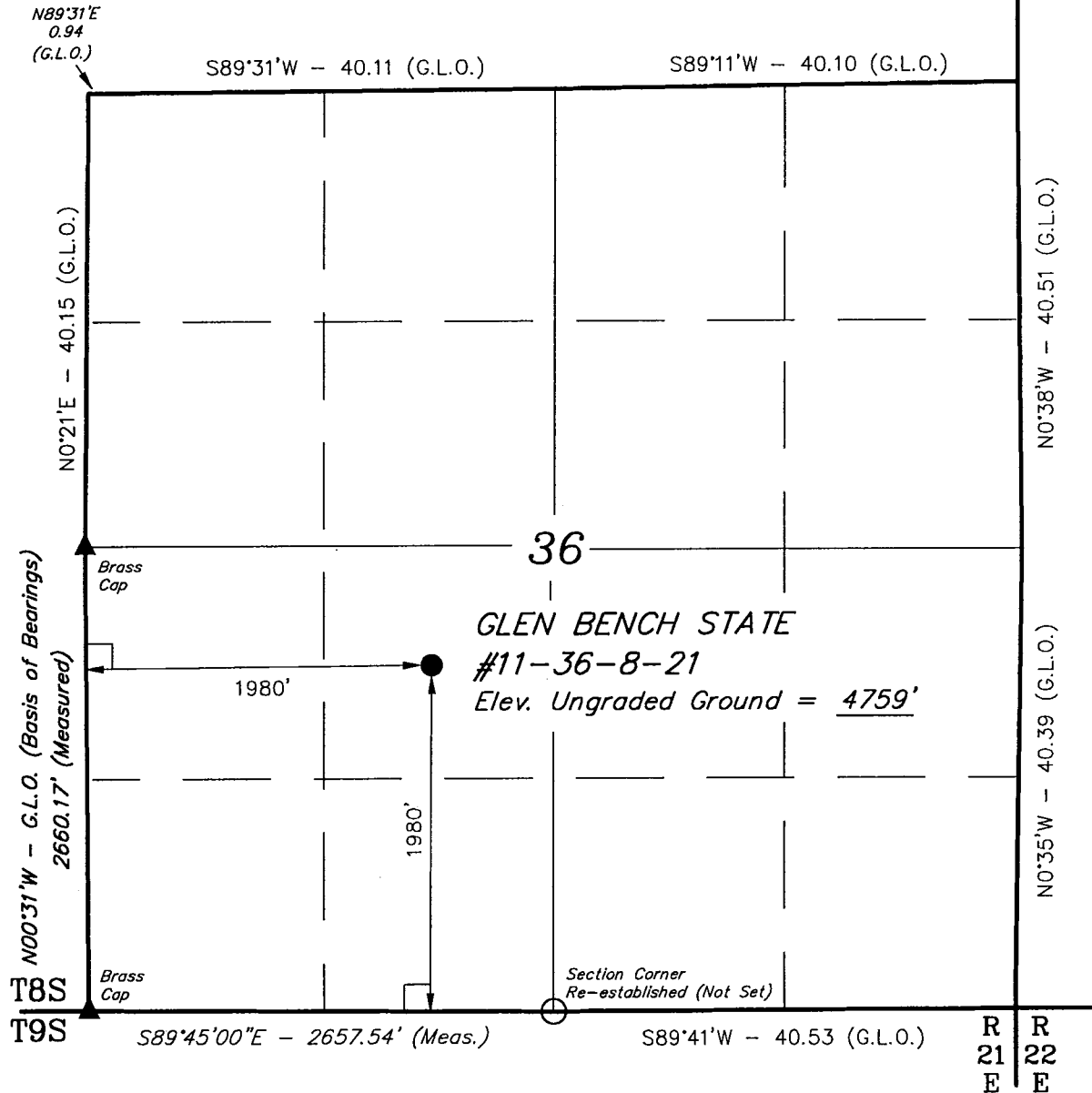
REGIONAL SPECIALIST III

DATE

3/19/98

\*See Instructions On Reverse Side

*T8S, R21E, S.L.B.&M.*



**LEGEND:**

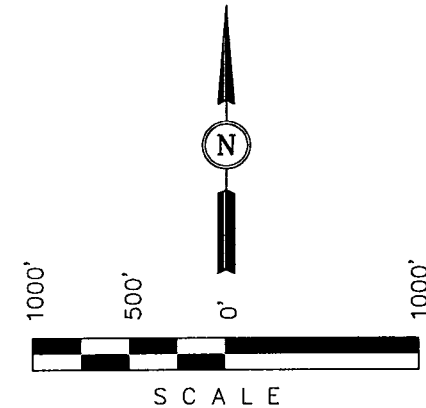
- = 90° SYMBOL
- = PROPOSED WELL HEAD.
- = SECTION CORNERS LOCATED.
- = SECTION CORNERS RE-ESTABLISHED. (Not Set on Ground)

**CHANDLER & ASSOCIATES, INC.**

Well location, GLEN BENCH STATE #11-36-8-21, located as shown in the NE 1/4 SW 1/4 of Section 36, T8S, R21E, S.L.B.&M. Uintah County, Utah.

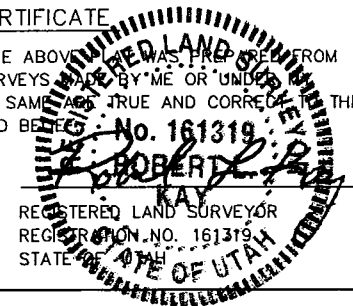
**BASIS OF ELEVATION**

BENCH MARK 20 EAM 1964 LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.



**CERTIFICATE**

THIS IS TO CERTIFY THAT THE ABOVE WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.



**UINTAH ENGINEERING & LAND SURVEYING**  
**85 SOUTH 200 EAST - VERNAL, UTAH 84078**  
**(435) 789-1017**

SCALE 1" = 1000'	DATE SURVEYED: 12-15-97	DATE DRAWN: 1-22-98
PARTY B.B. D.R. C.B.T.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE CHANDLER & ASSOCIATES, INC.	

**CHANDLER & ASSOCIATES, INC.**  
**DRILLING PLAN FOR THE**  
**GLEN BENCH STATE #11-36-8-21**

I. DRILLING PLAN:

1. Geological Surface Formation: Uintah

2. Estimated Tops:

<u>Name</u>	<u>Top</u>	<u>Prod. Phase Anticipated</u>
Green River	2048'	
"Kicker" Zone	3175'	Gas/Oil
"X" Marker	3702'	
Wasatch	5335'	Gas/Oil

3. CASING PROGRAM:

	<u>Depth</u>	<u>Hole Size</u>	<u>Csg. Size</u>	<u>Type</u>	<u>Weight</u>
Surface	400'	12-1/4"	9-5/8"	J-55 (ST&C)	36#/ft (new)
Prod.	7150'	7-7/8"	5-1/2"	K-55 (LT&C)	15.5#/ft (new)

4. Operator's Specification for Pressure Control Equipment:

- A. 2,000 psi W.P. Double Gate BOP or Single Gate BOP (Schematic attached).
- B. Functional test daily.
- C. All casing strings shall be pressure-tested (0.2 psi/foot or 1500 psi, whichever is greater) prior to drilling the plug after cementing; test pressure shall not exceed the internal yield pressure of the casing.
- D. All ram-type preventers and related control equipment shall be tested at the rated working pressure of the stack assembly or at 70 percent of the minimum internal yield pressure of the casing, whichever is less. Tests shall be done at the time of installation, prior to drilling out, and weekly. All tests shall be for a period of 15 minutes.

**Colorado National Bank**

950 Seventeenth Street  
Denver, CO 80202

Post-it® Fax Note	7671	Date	# of pages ▶
To	GIL HUNT	From	ED BONNER
Co./Dept.		Co.	SITLA
Phone #		Phone #	
Fax #		Fax #	

Date: July 6, 1995.

IRREVOCABLE STANDBY LETTER OF CREDIT NO. A5822

**TO: (Beneficiary)**

State of Utah  
School and Institutional Trust Lands Administration  
3 Triad Center, No. 400.  
Salt Lake City, UT 84180

**APPLICANT:**

Chandler and Associates, Inc.  
475 17th Street, No. 1000  
Denver, CO 80202

**AMOUNT:** USD 55,000.00 (Fifty Five Thousand and No/100 U.S. Dollars)

**EXPIRY DATE:** April 30, 1996 AT OUR COUNTERS

**GENTLEMEN:**

We hereby establish, in your favor, our Irrevocable Standby Letter of Credit available by your drafts, at sight, drawn on Colorado National Bank up to an aggregate amount not exceeding USD 55,000.00 (Fifty Five Thousand and No/100 U.S. Dollars) when accompanied by the following documents:

1. The original Letter of Credit.
2. Beneficiary Signed Statement as follows: " The undersigned hereby certifies that we are duly authorized to execute this document on behalf of the State of Utah, Division of State Lands and Forestry and the amount of the draft accompanying this certification is due and owing to the State of Utah, School and Institutional Trust Land Administration by virtue of a default by Chandler and Associates, Inc."

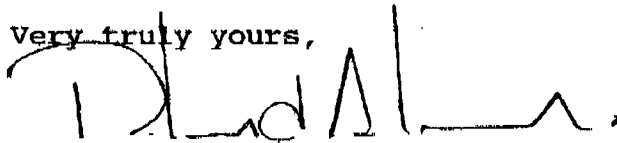
LETTER OF CREDIT NO. A5822

SPECIAL CONDITIONS:

1. All drafts drawn under this Letter of Credit are to be endorsed hereon and shall bear the clause "Drawn under Colorado National Bank Letter of Credit No. A5822 dated July 6, 1995."
2. All bank charges other than those of Colorado National Bank are for the account of the Beneficiary.
3. This Credit is subject to the Uniform Customs and Practice for Documentary Credits published by the International Chamber of Commerce, or any subsequent revision thereto.
4. This Letter of Credit will be automatically extended without amendment for one year from the present or any future expiration date hereof unless 120 days prior to such expiration date Colorado National Bank gives you written notification that we elect not to extend the Letter of Credit for such additional period.

We hereby engage with you that all drafts and documents drawn under and in compliance with the terms of this Letter of Credit will be duly honored if drawn and presented for payment at this office on or before the expiration date of this Letter of Credit.

Very truly yours,



Richard A. Koniar  
Assistant Vice President

**UTE INDIAN TRIBE**

UINTAH AND OURAY AGENCY

P.O. Box 190  
Fort Duchesne, Utah 84026

February 10, 1998

Mr. Norman Cambridge, Realty Officer  
U.S. Department of the Interior  
Bureau of Indian Affairs  
Uintah and Ouray Agency  
Fort Duchesne, Utah 84026

**RECEIVED**FEB 16 1998  
UINTAH & OURAY  
AGENCY  
*ju***Subject: Application for Permit to Drill and Pipeline Rights-Of-Way**

Dear Mr. Cameron,

On November 13, 1997, Chandler & Associates, Inc., was granted Permission to Survey by the Bureau of Indian Affairs, Realty Office, for the following, which is Tribal Surface and Federal Minerals;

1. Glen Bench State 8A-36-8-21, Section 36, SENE, T8, R21E, SLBM
2. Glen Bench 6-36-8-21, Section 36, NENW, T8S, R21E, SLBM

Pipeline and Access Road Corridor of 30 feet wide by 1200 feet of rights-of-way.

The following has been addressed to complete the process of Application for Permit to Drill and Rights-Of-Way on behalf of the Ute Indian Tribe.

**Cultural Resources Survey.** During December 2, 1997, Metcalf Archaeological Consultants, performed cultural resource inventory.

**On-site.** On December 24, 1997, on-sites were conducted with the following persons in attendance; Jim Simonton, Chandler & Associates, Inc.; Tracy Henline, Uintah Engineering & Land Survey; Dale Hanberg, Bureau of Indian Affairs; unavailable, Bureau of Land Management-Vernal District Office; and Alvin Ignacio, Tribal Technician.

Based upon the reports submitted and the consensus of the on-site personnel, the Ute Tribe Energy and Minerals Department is requiring the following stipulations to apply;

1. The Ute Tribe Energy and Minerals Department is to be notified 48 hours prior to construction, as a Tribal Technician is to routinely monitor construction.
2. The constructed travel width of the access road shall be 18 feet, except in cases of sharp curves and/or intersections.
3. Pipelines ROW will not be bladed or cleared of vegetation, without specific written authorization for Bureau of Indian Affairs and Ute Tribe Energy & Minerals. Pipeline ROW will not be used as Access Roads.
4. The Tribal Technician is to be notified during construction of reserve pits, and also during backfilling of pits. An open drilling system to be used.
4. Chandler & Associates, Incorporated will assure the Ute Tribe that any/all contractors and any sub-contractors has acquired a 1998 Tribal Business License and have "Access Permits" prior to construction.
5. All Chandler & Associates, Incorporated employees and/or authorized personnel (sub-contractors) in the field will have applicable APD's and/or ROW permits/authorizations on their person(s) during all phases of construction.

Letter to Mr. Cameron, BIA-Minerals & Mining

Dated: February 10, 1998

Re: APD for GBU #8A/6, Chandler

Page 2

6. All vehicular traffic, personnel movement, construction/restoration operations should be confined to the areas examine and approved, and to the existing roadways and/or evaluated access routes.

7. All personnel should refrain from collecting artifacts, any paleontological fossils, and from disturbing any significant cultural resources in the area.

8. The personnel from the Ute Tribe Energy and Minerals Department should be consulted should cultural remains from subsurface deposits be exposed or identified during construction.

9. All mitigative stipulations contained in the Bureau of Indian Affairs site specific Environmental Analysis (EA), will be strictly adhered.

10. Upon completion of Application for Permit to Drill and Rights-Of-Way, the Ute Tribe Energy and Minerals Department will be notified by Chandler & Associates, Incorporated Oil & Gas Company, so that a Tribal Technician can verify Affidavit of Completions.

If you should require additional information please feel free to contact this office.

Sincerely,

ENERGY & MINERALS RESOURCE DEPT.



Ferron Secakuku, EMRD Exec. Director

Alvin Ignacio, Oil & Gas Technician

cc: Jim Simonton/Chandler & Associates, Incorporated  
APD/ROW file  
EMRD chrono file



State of Utah  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt  
Governor

Ted Stewart  
Executive Director

Lowell P. Braxton  
Division Director

1594 West North Temple, Suite 1210  
PO Box 145801  
Salt Lake City, Utah 84114-5801  
801-538-5340  
801-359-3940 (Fax)  
801-538-7223 (TDD)

March 19, 1998

Chandler & Associates, Inc.  
475 Seventeenth Street, Suite 1000  
Denver, Colorado 80202

Re: Glen Bench State 11-36-8-21 Well, 1980' FSL, 1980' FWL,  
NE SW, Sec. 36, T. 8 S., R. 21 E., Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-33062.

Sincerely,

John R. Baza  
Associate Director

lwp

Enclosures

cc: Uintah County Assessor  
Bureau of Land Management, Vernal District Office

Operator: Chandler & Associates, Inc.  
Well Name & Number: Glen Bench State 11-36-8-21  
API Number: 43-047-33062  
Lease: ML-22057  
Location: NE SW Sec. 36 T. 8 S. R. 21 E.

### Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for Permit to Drill.

2. Notification Requirements

Notify the Division within 24 hours following spudding the well or commencing drilling operations. Contact Jim Thompson at (801)538-5336.

Notify the Division prior to commencing operations to plug and abandon the well. Contact Dan Jarvis at (801) 538-5338 or John R. Baza at (801)538-5334.

3. Reporting Requirements

All required reports, forms and submittals shall be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.



# State of Utah

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt  
Governor

Kathleen Clarke  
Executive Director

Lowell P. Braxton  
Division Director

1594 West North Temple, Suite 1210  
PO Box 145801  
Salt Lake City, Utah 84114-5801  
801-538-5340  
801-359-3940 (Fax)  
801-538-7223 (TDD)

June 5, 2000

Chandler & Associates, Inc.  
475 Seventeenth Street, Suite 1000  
Denver, Colorado 80202

Re: APD Rescinded – Glen Bench State 11-36-8-21 Well, Sec. 36, T. 8S, R. 21E, Uintah County, Utah, API No. 43-047-33062

Gentlemen:

The Application for Permit to Drill for the subject well was approved by the Division of Oil, Gas and Mining on March 19, 1998. No drilling activity at this location has been reported to the division. Due to the excessive time delay in commencing drilling operations, approval to drill the well is hereby rescinded, effective immediately.

Please note that a new Application for Permit to Drill must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division of Oil, Gas and Mining immediately.

Sincerely,

A handwritten signature in cursive script that reads "Don Staley".

Don Staley  
Information Services Manager  
Oil and Gas

cc: BLM - Moab District  
L.E. Cordova  
Well File